



# Vermont Film Commission

# Overview

- H.159 establishes the Vermont Film and Media Industry Taskforce
  - Historical review of state efforts
  - How the state can cultivate a film industry
  - How to compete with other jurisdictions
  - Cost-benefit analysis of state supports
- Will be more comprehensive, but my light research can give you an idea of what to expect
- Film Commissions and Tax Incentives

# What Happened to the VFC?

- Est. 1995
- Acted as a center for connecting filmmakers with resources around the state
- Executive Director unable to carry out duties effectively
- Lost confidence of state filmmakers
- Rolled into Office of Creative Economy in 2011, effectively dead

# Tax Incentives in Vermont

- Movie Production Tax Credit (1998-2012)
  - allowed nonresidents to take a credit against income they receive for a dramatic performance in a commercial film production during that tax year.
- Vermont Film Production Incentive (Inactive)
  - provided grants to cover certain production expenses incurred on Vermont film productions

# States in Similar Situations

- 25 states offer no tax incentives
- 4 of those states do not have a state-run film office/commission either
  - Alaska
  - Delaware
  - Vermont
  - Wisconsin

# New England

- Maine
  - 11-member Film Commission to promote state
  - Tax credit: 5% of expenses over \$75,000
- New Hampshire
  - Similar situation as original VFC, in danger of closing
  - No tax incentives
- Massachusetts
  - Robust film commission to promote state and help filmmakers
  - 25% tax credits for payroll and production costs

# Are Tax Incentives a Good Investment?

- Mixed results
- California
  - “the benefits are small relative to the subsidies’ cost”
  - Productions may operate there regardless of incentives
- Georgia
  - Benefits overstated
  - Benefits going to people out of state
- Pennsylvania
  - 13 cent ROI, but overall impact on state economy difficult to measure
  - competition is difficult against states where production companies have “invested significant resources and established a long-term presence.”
- Florida and Massachusetts report a net gain for the economy

# Conclusions to Expect

- Vermont has a lot to offer visually
- Film productions bring a lot of economic activity to the areas they operate in
- Extremely difficult to cultivate without an effective film commission
- Can't expect too much, though
  - Competition is fierce, technology is advanced
- Tax incentives are an unknown investment and unwise for Vermont
  - Perhaps some very light ones